



BILLING CODE 3510-DR-P

## DEPARTMENT OF COMMERCE

International Trade Administration

Trade Mission to Angola, Ethiopia, Ghana, Kenya, Mozambique, Nigeria, South Africa and Tanzania in Conjunction with Trade Winds – Sub-Sahara Africa, September 14-21, 2015

**AGENCY:** International Trade Administration, Department of Commerce.

**ACTION:** Notice.

### MISSION DESCRIPTION

The United States Department of Commerce, International Trade Administration is organizing a trade mission to Angola, Ethiopia, Ghana, Kenya, Mozambique, Nigeria, South Africa and Tanzania that will include the Trade Winds - Sub-Sahara Africa business forum in Johannesburg, South Africa on September 16-18, 2015. U.S. trade mission members will participate in the Trade Winds – Sub-Sahara Africa business forum in Johannesburg, South Africa, which is also open to U.S. companies not participating in the trade mission. Trade mission participants may also choose to participate in their choice of trade mission stops based on recommendations from the USFCS, including in Angola, Ethiopia, Ghana, Kenya, Mozambique, Nigeria, South Africa and Tanzania. Each trade mission stop will include one-on-one business appointments with pre-screened potential buyers, agents, distributors or joint-venture partners. Trade mission participants participating in the Trade Winds – Sub-Sahara Africa business forum may attend regional and industry-specific sessions and consultations with USFCS Senior Commercial

Officers and other government officials representing the Sub-Sahara Africa region during the business forum in Johannesburg, South Africa on September 16-18, 2015.

This mission is open to U.S. companies and trade associations from a cross-section of industries with growth potential in Angola, Ethiopia, Ghana, Kenya, Mozambique, Nigeria, South Africa and Tanzania, including, but not limited to the following industries: Power generation, transmission and distribution technology and equipment; oil and gas equipment and technology; mining and construction equipment; building products; agricultural equipment and technology; information communications technology and equipment; healthcare and medical products, equipment, and services; rail, air and port technology, products and services; environmental technologies; consumer products; and safety and security products and services.

## **COMMERCIAL SETTING**

### **Sub-Saharan Africa Economic Outlook**

Africa is the world's fastest growing continent, with excellent ground-level business opportunities for U.S. exporters across an array of sectors. Macroeconomic indicators continue to strengthen, as poverty declines and education and health outcomes continue to improve. Economic growth on the sub-continent is now projected to rise from 4.9% in 2013 to about 5.5% this year. In fact, robust economic activity, underpinned by large investments in infrastructure and mining and an expanding agricultural segment, continues in all three sub-regions of East Africa, West Africa and Southern Africa. Foreign investment has now fully recovered from the effects of the global crisis, and will reach a record US\$ 80 billion in 2014, with manufacturing and services (vice oil and gas) attracting an increasing share of the continent's greenfield-investment projects. An increasing number of U.S. multi-national companies have recently

made significant investments in the region, including Marriott, Walmart, FedEx and Proctor and Gamble.

With a population of 1.07 billion and a geography as large as China; India; Western Europe; Mexico; and the United States combined, rising wages, an emerging middle class and consumerism are diversifying demand for U.S. products and services. While, infrastructure opportunities (energy, minerals, transportation, and ICT) and agricultural production continue to expand, continent-wide consumer spending is on a growth path that is expected to reach \$1.4 trillion in 2020 (from a base of \$860 billion in 2008).

U.S. goods and services exports to Africa continue to grow by 6 -8 percent annually, having reached a record high of \$50.2 billion in 2013. Sub-Saharan Africa is thus poised to become world's next economic success story.

## **Market Overview and Top Prospects for U.S. Goods and Service Exports in the following Markets**

### **Angola**

Angola is the third-largest economy in Sub-Saharan Africa with a GDP of over US\$124 billion, and average annual growth of 5%. The Angolan economy is driven by the oil and gas industry, but is rapidly diversifying as the country's growth has fueled consumption and attracted foreign investors. The cost of doing business in Angola is high, but the rewards are commensurate.

Areas with the best potential for U.S. exporters include: health & medical supplies, franchising, infrastructure (airports, ports, highways, roads, sewage systems, power generation), oil & gas suppliers and services, safety & security, agribusiness (fertilizers, machinery, and irrigation), food processing, mining, telecoms, construction, and environmental technologies.

## **Ethiopia**

Ethiopia's population of over 90 million makes it one of the largest growing markets in Africa. GDP growth for the past five years has averaged between 7% - 12% annually, and Moody's has rated Ethiopia's credit worthiness a 'B+', reflecting the economy's stable outlook and prospects for continued growth in the short and medium-term.

Now is an opportune time for U.S. companies to enter the Ethiopian market, as the government is revising its five- year Growth and Transformation Plan for 2015-2020 to charter the development path in key sectors –Renewable Energy (wind, geothermal , solar), ICT and other infrastructure related projects, agro-business , education, and tourism. Due to its strategic location to GCC (Gulf Cooperation Council) countries, stable security, low corruption and unprecedented growth, Ethiopia is a prime location for U.S. exports and investment.

## **Ghana**

Ghana has a vibrant democratic government and has witnessed strong economic growth (7.5% over the last decade, surging to 15% in 2011 as offshore petroleum reserves become available) due to prudent macroeconomic management, a competitive business environment, an increasingly diversified economy and sustained reductions in poverty levels.

One of Ghana's most promising sectors is energy – both oil & gas exploration and power production. Ghana has far less production capacity than needed to grow its economy. Thermal power production has been hampered by inadequate and inconsistent sources of gas. Reliance on the West Africa Gas Pipeline to supply gas from Nigeria is one solution; a more sustainable and reliable solution to utilize gas from Ghana's offshore energy fields is in development as are plans to source renewable sources of energy. In other sectors, significant opportunities exist for U.S.

companies with the ability to provide comprehensive solutions – often including financing – for port development, airport expansions, road construction, rail projects and more.

### **Kenya**

Kenya has an estimated population of 44.3 million with a market-based economy and a well-educated, multi-lingual professional workforce, particularly in Nairobi, the country capital.

Kenya is generally considered the economic, commercial, and logistics hub of East Africa. With the strongest industrial base in East Africa, Kenya has been successful in attracting private equity capital. U.S. companies continue to invest in Kenya and are setting up local and regional operations to take advantage of Kenya's strategic location, comprehensive air routes, and status as a regional financial center.

Major opportunities for U.S. exporters lie in agribusiness, particularly horticulture, which relies heavily on the importation of fertilizers, pesticides and equipment to boost local productivity.

Similar opportunities lie in Kenya's floriculture industry, a leading exporter of fresh cut flowers to the flower auction in Holland. Energy presents another opportunity, particularly in geothermal and wind technology applications. Other sectors that show lucrative U.S. export potential are medical devices, infrastructure (roads, bridges, rail, air- and seaports) and ICT products and services (Cloud, web-hosting, accounting, payroll).

### **Mozambique**

Mozambique, with a population of 24 million, grew its economy on average by 8% annually from 1994 – 2009, a result of prudent macroeconomic reforms and large foreign investment projects. Real opportunities exist in developing transport infrastructure (rail and ports) and related equipment, as infrastructure projects will be key to Mozambique's near- and long-term

future. The government is investing heavily in expanding rail- and port capacity to manage the rising production of mineral resources. Regular new discoveries in oil and gas present excellent U.S. export prospects for construction and infrastructure projects and U.S. investment in the energy sector, particularly off-shore natural gas, is expected to grow tremendously in the next several years. Other infrastructure and equipment opportunities include telecommunications, energy (natural gas, hydropower and bio-diesel); mining (tantalum, graphite and coal); tourism (hotels, sports and leisure resorts); water supply and sanitation, medical equipment and consumables.

### **Nigeria**

Nigeria has the largest economy in Sub-Saharan Africa and is one of the world's the fastest growing economies, with an annual GDP growth rate of about 7%. It is also Africa's most populous country, with approximately 170 million inhabitants. Oil revenue currently accounts for almost 20% of Nigeria's GDP and over 90% of its foreign exchange earnings.

In recent years, the country's long-neglected non-oil sectors have been growing faster than the oil sector itself. This means significant opportunities for U.S. business in a wide range of sectors – not only in energy (oil and gas), but also in mining, power (generation and distribution), infrastructure (roads, buildings, and bridges), health (hospital care and medical equipment), transportation (aerospace, railroads, automobiles, and trucks), information and communications technology, agricultural technology, environmental technology, safety and security, education and training, franchising, and financial services. There is also considerable potential for American consumer goods in Nigeria's expanding market.

### **South Africa**

With a population of 51 million and GDP at US\$350.6 billion, South Africa is a middle-income country, with relative macroeconomic stability, a mature and diverse economy, urban infrastructure that resembles OECD standards and a largely pro-business environment. The banking and financial services sector is stable and the Johannesburg Stock Exchange (JSE) ranks amongst the top emerging market exchanges in the world.

The U.S. is a critical trading partner of South Africa, and good U.S. export opportunities exist across a range of sectors. Much of South Africa's infrastructure is in need of an overhaul – with the government looking to invest in improving and expanding rail lines, locomotives and network lines. Opportunities also exist in energy efficient solutions for power generation and smart-grid technologies, as well as medical devices, particularly in high-tech equipment and diagnostics, green technologies, green building technologies, automotive aftermarket (specialty products), water management, air pollution control and monitoring equipment and agricultural equipment.

### **Tanzania**

Real GDP for Tanzania's population of 48 million grew by 7% in 2013, the fifth consecutive year that Tanzania has enjoyed a growth rate that ranks it among the 20 fastest growing in the world. This growth is due to a strengthening manufacturing sector, continued investment in the natural gas sector, increased energy production, and robust growth in construction activities.

While U.S. exports to Tanzania amounted to just over \$400 million last year, this represents 70% year on year growth. Tanzania's strategic location makes it a natural East African hub for investors seeking to capitalize not only on its vast resources but also a growing market of 527 million consumers in East and Southern Africa.

Best prospect sectors and opportunities for U.S. exporters include petroleum, gas and energy; agribusiness and food processing equipment; mining equipment, IT and telecommunication equipment, construction and real estate development and aviation infrastructure. In addition, U.S. consumer goods and franchise concepts are increasingly attractive to the Tanzanian market.

## **MISSION GOALS**

The goal of the trade mission is to help participating firms gain market insights, make industry contacts, solidify business strategies, and advance specific projects, with the goal of increasing U.S. exports to Angola, Ethiopia, Ghana, Kenya, Mozambique, Nigeria, South Africa and Tanzania and the region. The delegation will also have access to USFCS Senior Commercial Officers and Commercial Specialists during the mission, learn about the many business opportunities in Sub-Sahara Africa, and gain first-hand market exposure. U.S. trade mission participants already doing business in Sub-Sahara Africa will have opportunities to further advance business relationships and projects in those markets.

## **SCENARIO & TIMETABLE**

September 13, 2014	Arrive in Luanda, Angola or Addis Ababa, Ethiopia or Accra, Ghana or Dar es Salaam, Tanzania or Maputo, Mozambique (if electing to participate in one of these mission stops)
September 14, 2015	Luanda, Angola or Addis Ababa, Ethiopia or Accra, Ghana or Dar es Salaam, Tanzania or Maputo, Mozambique (choice of one mission stop)



	Business to Business meetings and networking with government and business officials
September 15, 2015	Arrive in Johannesburg, South Africa
September 16-18, 2015	Johannesburg, South Africa: Trade Winds Business Forum and SCO Consultations
	Market Briefings, Business to Business meetings, Consultations with U.S. government trade representatives and networking with U.S. and foreign government and business officials
September 20, 2015	Arrive in Lagos, Nigeria or Nairobi, Kenya
September 21, 2015	Lagos, Nigeria or Nairobi, Kenya (choice of one mission stop)
	Business to Business meetings and networking with government and business officials

## **PARTICIPATION REQUIREMENTS**

All parties interested in participating in the trade mission to Angola, Ethiopia, Ghana, Kenya, Mozambique, Nigeria, South Africa and Tanzania must complete and submit an application package for consideration by the Department of Commerce. All applicants will be evaluated on their ability to meet certain conditions and best satisfy the selection criteria as outlined below.

A minimum of 55 companies and/or trade associations will be selected to participate in the mission from the applicant pool on a first-come, first-served basis. Mission stop participation will be limited as follows: the Ethiopia mission stop is limited to 5 companies; the Tanzania

mission stop is limited to 5 companies; the Mozambique mission stop is limited to 5 companies; the Angola mission stop is limited to 5 companies; the Kenya mission stop is limited to 15 companies; the South Africa mission stop is limited to 50 companies; the Nigeria mission stop is limited to 20 companies; and the Ghana mission stop is limited to 5 companies.

Additional delegates may be accepted based on available space. U.S. companies and/or trade associations already doing business in or seeking business in Angola, Ethiopia, Ghana, Kenya, Mozambique, Nigeria, South Africa and Tanzania for the first time may apply.

### **Fees and Expenses:**

After a company has been selected to participate in the mission, a payment to the Department of Commerce in the form of a participation fee is required.

- For one mission stop, the participation fee will be \$2,500 for a small or medium-sized enterprise (SME) and \$3,500 for large firms.
- For two mission stops, the participation fee will be \$3,300 for a small or medium-sized enterprise (SME) and \$4,300 for large firms.
- For three mission stops, the participation fee will be \$4,100 for a small or medium-sized enterprise (SME) and \$5,100 for large firms.

The above trade mission fees include the \$500 participation fee for the Trade Winds business forum to be held in Johannesburg, South Africa on September 16-18, 2015.

An additional representative for both SMEs and large firms will require an additional fee of \$500 for one mission stop, \$1,000 for two mission stops, or \$1,500 for three mission stops

Expenses for travel, lodging, meals, and incidentals such as local transportation and interpreters will be the responsibility of each mission participant.

#### Conditions for Participation:

- An applicant must submit a completed and signed mission application and supplemental application materials, including adequate information on the company's products and/or services, primary market objectives, and goals for participation. Applicant should specify in their application and supplemental materials which trade mission stops they are interested in participating in. If the Department of Commerce receives an incomplete application, the Department may reject the application, request additional information, or take the lack of information into account when evaluating the applications.
- Each applicant must also certify that the products and services it seeks to export through the mission are either produced in the U.S., or, if not, marketed under the name of a U.S. firm and have at least 51 % U.S. content of the value of the finished product or service. In the case of a trade association or trade organization, the applicant must certify that, for each company to be represented by the trade association or trade organization, the products and services the represented company seeks to export are either produced in the United States, or, if not, marketed under the name of a U.S. firm and have at least 51 % U.S. content.

Selection Criteria for Participation: Selection will be based on the following criteria:

- Suitability of the company's (or, in the case of a trade association or trade organization, represented companies') products or services to each of the markets the company or trade association/organization has expressed an interest in visiting as part of this trade mission.

- Company's (or, in the case of a trade association or trade organization, represented companies') potential for business in each of the markets the company or trade association/organization has expressed an interest in visiting as part of this trade mission.
- Consistency of the applicant's goals and objectives with the stated scope of the mission.

Diversity of company size, sector or subsector, and location may also be considered during the review process.

Referrals from political organizations and any documents containing references to partisan political activities (including political contributions) will be removed from an applicant's submission and not considered during the selection process.

## **TIMEFRAME FOR RECRUITMENT AND APPLICATIONS**

Mission recruitment will be conducted in an open and public manner, including publication in the Federal Register, posting on the Commerce Department trade mission calendar, and other Internet web sites, press releases to the general and trade media, direct mail and broadcast fax, notices by industry trade associations and other multiplier groups and announcements at industry meetings, symposia, conferences, and trade shows.

Recruitment for the mission will begin immediately and conclude no later than June 15, 2015.

The U.S. Department of Commerce will review applications and make selection decisions on a rolling basis beginning 14 DAYS AFTER PUBLICATION OF THIS FEDERAL REGISTER NOTICE, until the minimum of 55 participants is selected. After June 15, 2015, applications will be considered only if space and scheduling constraints permit.

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